US $200 mn. for helping eligible banks/financial institutions to provide foreign currency loans to small and medium exporters. The loan has yet to be formally approved by the Board of Directors of the World Bank.

Check on Inflation

271. SHRI SOM PAL: Will the Minister of FINANCE be pleased to state:

(a) what is the current rate of inflation in the country;

(b) what have been the movements in prices of various commodities during the past three years and what are the respective weightages assigned to these respective groups in the price indices; and

(c) what steps are proposed to be taken to keep the inflation under control and what are the targets set in this regard for the current and the next year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The annual rate of inflation as on February 25, 1995 was 11.4 per cent (Provisional).

(b) The price changes observed in major commodity groups and sub-groups during the past three years together with their weights are given in attached statement. (See below).

(c) Major steps taken to contain inflation in the current fiscal year are:-

(i) Release of foodgrains from public stocks through open market sale by Food Corporation of India.

(ii) Placing import of Sugar on OGL at zero duty.

(iii) Ensuring sugar availability for PDS by importing nearly 10 lakh tonnes at zero duty.

(iv) Allowing import of palmolein oil under OGL.

(v) Importing 1.07 lakh tonnes of palmolain oil for supply to consumers through PDS.

(vi) With effect from March 1995 allowing import of major edible oils under OGL at reduced duty of 30 per cent.

(vii) Allowing cotton import under OGL at zero duty.

(viii) Placing a cap on Central Government's borrowings from the RBI through the issue of a Ahoc Treasury Bills and containing monetary growth through a series of measures including raising of CRR and sale of Government securities of the RBI.

Statement

Annual Price Changes (Point-to Point)

(Per cent)

Commodity/Groups/Sub-groups	Weight	1994-95	1993-94	1992-93
1	2	3	4	5
ALL COMMODITIES	100.000	11.5	9.3	7.7
I. Primary Articles :	32.295	15.7	8.9	2.5
(A) *Food articles*	17.386	13.6	2.7	7.5
Food-grains (Cereals+Pulses) . . .	7.917	7.9	19.7	–4.4
Rice.	3.685	9.5	14.0	–1.6

1	2	3	4	5
Wheat	2.248	2.4	25.2	8.1
Pulses	1.093	7.3	31.9	7.9
Fruits & Vegetables	4.089	10.6	–10.5	14.9
Milk	1.961	11.6	2.7	13.0
Eggs, Fish & Meat	1.783	25.6	10.5	18.9
(B) *Non-food articles*	10.081	22.0	20.0	–6.8
Oil seeds	3.861	29.0	9.2	–19.5
Sugarcane	2.706	12.1	11.7	21.4
Raw Cotton	1.335	39.0	66.4	–23.8
II. Fuel, Power, Light & Lubricants	10.663	1.6	13.1	16.9
III. Manufactured Products	57.042	11.1	8.7	9.2
Food Products	10.143	10.1	12.5	4.2
Sugar	2.013	–3.0	20.4	10.5
Edible Oils	2.445	20.6	2.5	–8.4
Beverages, Tabacco & tobacco prod.	2.149	11.8	5.5	9.1
Textiles	11.545	17.0	13.0	4.7
Chemicals & Chemical Products	7.355	14.7	5.4	13.2
Non-metallic mineral products	2.477	7.2	10.8	5.9
Cement	0.860	18.9	–0.4	4.8
Basic metals, alloys & metal products	7.632	9.9	8.6	9.4
Machinery & machine tools incl. elec. machinery.	6.268	13.8	2.7	7.7
Transport equipment & parts	2.705	7.1	2.5	6.0
Other misc. manufacturing industries.	0.972	1.2	16.6	5.0

Ceiling on the loans against shares

272. SHRI SOM PAL: Will the Minister of FINANCE be pleased to state:

(a) whether there is any ceiling on the loans availed against shares;

(b) if so, what are the details thereof;

(c) whether there is a proposal to raise this limit; and

(d) if so, by how much and what is the rationale thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Yes, Sir. In terms of Reserve Bank of India (RBI) existing instructions to banks, there is a ceiling of Rs. 5 lakhs for sanction of advances against the security of shares and debentures to individuals and trusts and endowments. No monetary